



September 3, 2004

Srunivasan Soundararajan
Assistant General Counsel – Interconnection Services
Verizon
1515 North Courthouse Road
Suite 500
Arlington, VA 22201

Dear Mr. Soundararajan:

Thank you for your prompt response to my letter to Michael D. Tinyk, dated August 18, 2004, regarding Verizon's unbundled network element ("UNE") obligations under CTC's Massachusetts Interconnection Agreement (the "Agreement").

In your response, you allege that under the Agreement Verizon may cease providing unbundled enterprise switching at TELRIC rates to CTC in Massachusetts "with no specified notice." As set forth in my August 18, 2004 letter, CTC disagrees and maintains that Verizon is prohibited from making unilateral modifications to the Agreement. In fact, Section 8.2 of the Agreement provides that the Parties shall negotiate a conforming amendment in the event that a change in law materially alters the services required by statute or regulation embodied in the Agreement.

Your response references Verizon's May 18th letter, in which Verizon states its intention to begin billing any such enterprise UNE-P arrangements that remain in place after August 22, 2004, "at a rate equivalent to the Section 251(c)(4) resale rate for business service." As Verizon is fully aware, the rates that it may charge for resale under section 251(c)(4) of the Act are subject to the approval of the state regulatory commissions. However, Verizon has not obtained approval from the Massachusetts Department of Telecommunications and Energy (the "DTE") for its proposed wholesale rates. Moreover, Verizon has not provided any supporting documentation or a cost study demonstrating that its proposed rates for enterprise UNE-P arrangements reflect its avoided costs.

Accordingly, it is CTC's belief that absent approval by the DTE of Verizon's proposed "wholesale" rates for Enterprise UNE-P arrangements and the requisite tariff filing, any attempt by Verizon to invoke rate increases relative to enterprise UNE-P in Massachusetts would be unlawful.

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Finally, CTC will also consider unlawful any increase in the rates charged by Verizon for CTC's New York UNE-P arrangements until such time as Verizon has obtained approval from the New York Public Service Commission of its proposed rates for Enterprise UNE-P arrangements offered pursuant to resale under 251(c)(4) of the Act.

Please don't hesitate to contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Pamela L. Hintz', with a large, stylized flourish at the end.

Pamela L. Hintz
Vice President of Regulatory Affairs
CTC Communications Corp.
